



# House of Representatives

## File No. 548

General Assembly

January Session, 2003

**(Reprint of File No. 242)**

House Bill No. 6527  
As Amended by House  
Amendment Schedule "A"

Approved by the Legislative Commissioner  
April 24, 2003

### **AN ACT CONCERNING BAZAARS AND RAFFLES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-172 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) No bazaar or raffle may be promoted, operated or conducted in  
4 any municipality after the adoption of the provisions of sections 7-170  
5 to 7-186, inclusive, as amended by this act, unless it is sponsored and  
6 conducted exclusively by (1) an officially recognized organization or  
7 association of veterans of any war in which the United States has been  
8 engaged, (2) a church or religious organization, (3) a civic or service  
9 club, (4) a fraternal or fraternal benefit society, (5) an educational or  
10 charitable organization, (6) an officially recognized volunteer fire  
11 company, (7) a political party or town committee thereof, or (8) a  
12 municipality acting through a committee designated to conduct a  
13 celebration of the municipality's founding on its hundredth  
14 anniversary or any multiple thereof. Any such sponsoring  
15 organization, except a committee designated pursuant to subdivision

16 (8) of this [section] subsection, shall have been organized in good faith  
17 and actively functioning as a nonprofit organization within the  
18 municipality that is to issue the permit for a period of not less than six  
19 months prior to its application for a permit under the provisions of  
20 said sections. The promotion and operation of a bazaar or raffle shall  
21 be confined solely to the qualified members of the sponsoring  
22 organization, provided a committee designated pursuant to  
23 subdivision (8) of this [section] subsection may promote or operate  
24 through its members and any officially appointed volunteers. No such  
25 member or officially appointed volunteer in the case of a raffle held  
26 pursuant to subdivision (8) of this [section] subsection may receive  
27 remuneration in any form for time or effort devoted to the promotion  
28 or operation of the bazaar or raffle. No person under the age of  
29 eighteen years may promote, conduct, operate or work at a bazaar or  
30 raffle and no person under the age of sixteen years may sell or promote  
31 the sale of any raffle tickets, nor shall any sponsoring organization  
32 permit any person under the age of eighteen to so promote, conduct or  
33 operate any bazaar or raffle or any person under the age of sixteen to  
34 sell or promote the sale of such tickets. Any sponsoring organization  
35 having received a permit from any municipality may sell or promote  
36 the sale of such raffle tickets in that municipality and in any other  
37 town, city or borough which has adopted the provisions of sections 7-  
38 170 to 7-186, inclusive. All funds derived from any bazaar or raffle  
39 shall be used exclusively for the purpose stated in the application of  
40 the sponsoring organization as provided in section 7-173.

41 (b) Notwithstanding the provisions of subsection (a) of this section,  
42 a bazaar at which games of chance may be played by students and  
43 guests of such students may be sponsored at a public or nonpublic  
44 secondary school by such school, a group of parents of students  
45 attending school or by the teachers or administrators of such school  
46 provided (1) such students are members (A) of the senior class  
47 graduating in the calendar year in which the bazaar at which the  
48 games are played is held, or (B) of the junior class graduating in the  
49 calendar year following the calendar year in which such bazaar is held;

50 (2) such guests are sixteen years of age or older; (3) the bazaar is  
51 supervised and the games are operated by parents, teachers or school  
52 administrators; (4) the purpose of the bazaar at which such games are  
53 played is strictly social and no charge in any form is made to play such  
54 game and no wagering is permitted which involves anything of value,  
55 provided (A) the sponsor may charge a nominal admission fee to cover  
56 the costs of equipment, prizes or refreshments, and (B) the sponsor  
57 may provide door prizes; (5) the bazaar is solely for such students,  
58 faculty or the families of such students and the guests of such persons,  
59 and the sponsor does not advertise or otherwise hold the bazaar open  
60 to members of the general public; (6) no more than two such bazaars  
61 for such students may be held during any calendar year, provided  
62 such bazaars shall be held in connection with the senior or junior prom  
63 or graduation activities; and (7) no alcoholic beverages of any kind are  
64 served at the bazaar. Such school or group of parents, teachers or  
65 administrators shall be deemed to be an organization for purposes of  
66 sections 7-170 to 7-181, inclusive, as amended by this act, 7-184 to 7-  
67 186, inclusive, as amended by this act, and shall be exempt from the  
68 provisions of sections 7-182 and 7-183.

69       Sec. 2. Section 7-185a of the general statutes is amended by adding  
70 subsection (h) as follows (*Effective from passage*):

71       (NEW) (h) Notwithstanding the provisions of sections 7-170 to 7-  
72 186, inclusive, as amended by this act, and the regulations adopted  
73 thereunder, a public or nonpublic secondary school or a group of  
74 parents of students attending such a school or of the teachers or  
75 administrators of such a school may conduct the bazaar in a  
76 municipality other than the municipality that grants the permit if the  
77 municipality in which the bazaar is to be conducted has adopted the  
78 provisions of sections 7-170 to 7-186, inclusive, as amended by this act,  
79 and the chief executive officer of such municipality has approved such  
80 bazaar in writing.

81       Sec. 3. (NEW) (*Effective from passage*) Any public or nonpublic  
82 secondary school or a group of parents of students attending such a

83 school or of the teachers or administrators of such a school may  
84 operate and conduct bingo under a Class B permit at which bingo  
85 games may be played by such students and by the guests of such  
86 students provided (1) such students are members (A) of the senior  
87 class graduating in the calendar year in which the bingo at which the  
88 bingo games are played is held, or (B) of the junior class graduating in  
89 the calendar year following the calendar year in which such bingo is  
90 held; (2) such guests are sixteen years of age or older; (3) the bingo is  
91 supervised and the games are operated by parents, teachers or school  
92 administrators; (4) the purpose of the bingo at which such bingo games  
93 are played is strictly social and no charge in any form is made to play  
94 such bingo games and no wagering is permitted which involves  
95 anything of value, provided (A) the sponsor may charge a nominal  
96 admission fee to cover the costs of equipment, bingo cards or sheets,  
97 prizes or refreshments, and (B) the sponsor may provide door prizes;  
98 (5) the bingo is solely for such students, faculty or the families of such  
99 students and the guests of such persons, and the sponsor does not  
100 advertise or otherwise hold the bingo open to members of the general  
101 public; (6) no more than two such bingo events shall be held in  
102 connection with the senior or junior prom or graduation activities; and  
103 (7) no alcoholic beverages of any kind are served at the bingo. Such  
104 school or group of parents, teachers or administrators shall be deemed  
105 to be an organization for the purposes of subsections (a) to (g),  
106 inclusive, and subsection (k) of section 7-169 of the general statutes,  
107 and shall be exempt from the provisions of subsections (h) and (j) of  
108 section 7-169 of the general statutes.

109 Sec. 4. Section 53-278c of the general statutes is amended by adding  
110 subsection (g) as follows (*Effective from passage*):

111 (NEW) (g) Any firm or corporation that is engaged in the business  
112 of conducting legal games of chance in other states may store gambling  
113 devices in this state for use outside of the state, provided such firm or  
114 corporation has obtained approval for the storage and transportation  
115 of such devices from the Commissioner of Public Safety. The  
116 commissioner shall adopt regulations, in accordance with the

117 provisions of chapter 54, to implement the provisions of this  
118 subsection.

119 Sec. 5. Section 7-170 of the general statutes is repealed and the  
120 following is substituted in lieu thereof (*Effective from passage*):

121 Wherever used in sections 7-171 to 7-186, inclusive; [, "bazaar"]

122 (1) "Bazaar" means a place maintained by a sponsoring organization  
123 for the disposal of merchandise awards by means of chance; ["raffle"]

124 (2) "Raffle" means an arrangement for raising money by the sale of  
125 tickets, certain among which, as determined by chance after the sale,  
126 entitle the holders to prizes; [and "applicant"]

127 (3) "Applicant" means the sponsoring organization; and

128 (4) "Games of chance" means merchandise prize wheel games,  
129 knock-a-block games, dime pitch games, jar ticket games, straw games,  
130 lollipop games, duck pond games, "fifty-fifty" coupon games, teacup  
131 raffles, cow-chip raffles, and such other games of chance as may be  
132 approved by the division in conjunction with a sponsoring  
133 organization's application for a permit or application to amend form,  
134 or upon the written request of a bazaar or raffle equipment dealer  
135 registered with the division.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

### **OFA Fiscal Note**

#### **State Impact:**

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Spec. Revenue, Div. of	GF - Revenue Gain	Minimal	Minimal
Public Safety, Dept.	GF - None	None	None

Note: GF=General Fund

#### **Municipal Impact:**

Municipalities	Effect	FY 04 \$	FY 05 \$
Various Municipalities	Revenue Gain	Minimal	Minimal

### **Explanation**

The bill as amended is anticipated to result in a minimal revenue gain (less than \$1,000 per year) to the state and municipalities as a result of permitting high school students and their guests to play bingo or games of chance at school or parent sponsored events. The estimated revenue gain to the state and municipalities is based on approximately 60 school or parent sponsored events held per year (the annual number games of chance permits (Las Vegas Nights) issued to school and parent sponsored organizations prior to its repeal).

The Division of Special Revenue (DSR) issues bingo permits and local police chiefs (first selectman in towns without police departments) issue bazaar and raffle permits which the municipalities and state share the permit fees.

The bill as amended also allows firms or corporations that engage in the business of conducting legal games of chance in other states to store gambling devices in Connecticut for use outside of the state. The bill requires the Commissioner of the Department of Public Safety (DPS) to adopt the necessary regulations for this activity such that

these entities can obtain approval for the storage and transportation. Passage of the bill is not anticipated to result in any fiscal impact to DPS.

House "A": 1) codifies into statute current DRS regulations regarding games that organizations can offer to participants at a bazaar or raffle event, and 2) permits schools to conduct a bazaar in a town other than that granted the permit. These provisions have no fiscal impact.

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**OLR Amended Bill Analysis**

HB 6527 (as amended by House "A")\*

**AN ACT CONCERNING BAZAARS AND RAFFLES****SUMMARY:**

This bill allows high school seniors and juniors, and their guests who are at least age 16, to play games of chance at school- or parent-sponsored bazaars held in connection with prom or graduation activities. It allows bingo for these students under the same circumstances.

By law, bazaars and bingo may be conducted only in towns that vote to approve such activities. The bill requires municipal chief executive officers to approve school bazaars in writing as well. It requires organizations sponsoring school bazaars or bingo to meet most of the requirements that apply to qualified organizations sponsoring or conducting these activities in other circumstances under existing law.

The bill allows firms or corporations engaged in the business of conducting legal games of chance in other states to store gambling devices in Connecticut for out-of-state use if the public safety commissioner gives approval to store and transport them. He must adopt implementing regulations for this provision.

\*House Amendment "A" puts the permissible bazaar games of chance in statutes and allows the conduct of school bazaars in a town other than the one that granted the permit.

EFFECTIVE DATE: Upon passage

**RESTRICTIONS ON PROM AND GRADUATION BAZAARS AND BINGO**

The bill allows high school parent groups, teachers, or administrators to sponsor bazaars with games of chance for students and their guests under the following circumstances:



1. the students are members of the senior graduating class in that calendar year or the junior class graduating in the calendar year following the calendar year in which the bazaar is conducted;
2. the guests are at least age 16;
3. parents, teachers, or administrators supervise the event and operate the games;
4. the event is strictly social and does not involve wagering anything of value or a charge beyond a nominal admission fee to pay for equipment, prizes, or refreshments, except that the event sponsor may provide door prizes;
5. the event is not advertised or open to the public;
6. only two of these events are held each year for the same students, and they are held in connection with the senior or junior prom or graduation activities; and
7. no alcoholic beverage is served.

The bill also allows high school parent groups, teachers, or administrators to conduct bingo under a class B permit under the same circumstances listed above. It allows them to charge a nominal fee for bingo, bingo cards, and bingo sheets as well.

The \$5-per-day Division of Special Revenue (DSR) permit allows the conduct of up to 40 and no fewer than 15 games per day for a maximum of 10 successive days.

### ***Organizations Sponsoring School Bazaars and Bingo***

**Bazaars.** Under the bill, organizations (parents, teachers, or administrators) sponsoring bazaars are subject to almost all the laws that apply to qualified organizations that sponsor bazaars under existing law. These include (1) a requirement for a municipal permit; (2) a penalty of up to \$1,000, imprisonment of up to one year, or both for violations of the pertinent laws or regulations, or for false statements in any permit application; (3) permit revocation and suspension; and (4) allowing the sponsor to conduct the bazaar in a town other than the one that granted the permit as long as the host

town has adopted the Bazaar and Raffle Act. But the organizations are exempt from the requirement to provide certified financial statements covering the events to the police chief (or first selectman, where appropriate).

**Games of Chance.** The games of chance listed in the bill are the same as those listed in DSR's existing bazaar and raffle regulations. They are: merchandise prize-wheels, knock-a-block, dime pitches, jar ticket games, straw games, lollipop games, duck pond games, 50-50 coupon games, teacup raffles, other games DSR approves in conjunction with a sponsoring organization or at the request of a registered bazaar or raffle equipment dealer (Conn. Agency Regs. § 7-185-10b). (DSR is awaiting an attorney general's opinion on the legality of merchandise prize wheels.)

**Bingo.** The bill subjects organizations conducting bingo to almost all the laws that apply to qualified organizations that conduct bingo under existing law. These include (1) a permit and registration requirement and (2) a civil fine of up to \$200, or a criminal penalty of up to \$200 and up to 60 days imprisonment for violations. It explicitly exempts them from maintaining records of receipts and disbursements and a 5% DSR regulation fee calculated on gross receipts, less prizes, on each bingo session. But it is unclear whether they are subject to the provision governing prizes because the bill neither exempts nor explicitly subjects them to that provision.

## BACKGROUND

### **Bazaars**

**Qualified Organizations.** The following organizations qualify for permits to promote and conduct bazaars and raffles: veterans', religious, civic, fraternal, educational, or charitable organizations; volunteer fire companies; political parties; and town committees. They may also be promoted and conducted in a town if sponsored by the town acting through a designated centennial celebration committee. Only an organization's qualified members may promote and operate bazaars and raffles, and they may not be remunerated. People under age 18 may not promote, conduct, or work at a bazaar or raffle, and people under age 16 may not sell raffle tickets or promote sales.

**Permit Application Procedures.** Bazaars and raffles may be

conducted only in towns that have adopted the Bazaar and Raffles Act, and the organization sponsoring or conducting the event must get a permit from the police chief (or first selectman, where appropriate). To qualify for a permit, organizations, but not centennial committees, must have been organized in good faith and function actively as a nonprofit organization for at least six months before applying.

**Prizes.** The organization may award merchandise, tangible personal property, tickets (including lottery tickets), coupons, or gift certificates as prizes. It may not award alcohol. And it may not award cash or anything redeemable for cash, except for cow-chip raffles and prizes totaling 50% of 50-50 coupon game sales for each coupon drawing conducted.

**Reporting Requirements.** Within one month after holding a bazaar or raffle, the organization must submit a verified financial report on it to the police chief or first selectman of the municipality where the activity was held. (One type of permittee submits directly to the DSR director.) The organization must keep any records that will substantiate the report for at least one year from the report's date.

**Permit Suspension or Revocation.** DSR may suspend or revoke permits for violations.

**Penalties for Violations.** DSR may impose a civil fine of up to \$200 for violations. In addition, violators of the bazaar and raffle laws or regulations are subject to a penalty of up to \$1,000, imprisonment for up to one year, or both.

### **Bingo**

Bingo may be conducted only in towns that have voted to approve such games. The sponsoring organization must get a DSR permit and, as a prerequisite, must register with the agency. It must have been organized for at least two years before applying for the permit. Qualified organizations are veterans', religious, civic, fraternal, educational, or charitable organizations; volunteer fire companies; and granges. Only the sponsoring organization's qualified members may promote and operate bingo. But DSR may allow qualified members of another registered organization to help.

**Prizes.** The law allows the organization to award cash, merchandise,

lottery tickets, or other personal property as prizes. The law includes restrictions on the value of prizes.

**Regulatory Fee.** An organization operating or conducting bingo must file a return with DSR and pay the state a fee of 5% of the gross receipts, less the prizes.

**Records.** Organizations must keep accurate records of receipts and disbursements available for DSR inspection.

**Permit Suspension or Revocation.** DSR may suspend or revoke permits for violations.

**Penalties for Violations.** DSR may impose civil fines of up to \$200 for violations or false statements. People who promote or operate bingo games without a permit or violate the bingo laws or regulations may also be fined up to \$200, imprisoned for up to 60 days, or both.

## COMMITTEE ACTION

Public Safety Committee

Joint Favorable Change of Reference

Yea 16      Nay 4

Education Committee

Joint Favorable Report

Yea 22      Nay 4